

DUGWAY PASS  
PLAN OF OPERATIONS  
Davies, Wingle & Davies Inc

State of Utah  
Department of Natural Resources  
Division of Oil Gas and Mining  
1594 West North Temple Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5904

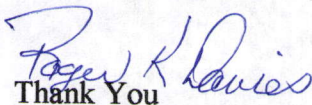
Sirs:

4 May 2006

Please find enclosed our application to COMMENCE SMALL MINING OPERATIONS, for your consideration and approval.

We have made contact with the Utah DEQ Division of Air Quality (Tim Blanchard, (801)536-4057, 18 April 2006) and the Utah DEQ Division of Water Quality (Rand Fisher, (801)538-6065, 19 April 19, 2006). After reviewing our plan of operations and discussing the project and its operational requirements, neither expressed any concern with our project as described and felt satisfied that we were taking the appropriate steps for environmental protection, and did not need to have any permits from their organization.

You may contact the undersigned should you have any questions or issues with this application.

  
Thank You

Roger 'Butch' Davies  
Davies, Wingle and Davies, Inc  
Secretary  
2159N 700W  
Clinton, Utah 84015  
(801)776-2530  
[bdavies@earthlink.net](mailto:bdavies@earthlink.net)

Enclosures:

- Application to Commence Small Mining Operations
- Operations/Business Plan Dugway Pass Mine, Dugway Utah
- USGS Dugway Pass Topographic Map showing general area of claim
- Computer generated map showing area detail with earth disturbance identified
- Small Mining Reclamation Contract with Bonding Letter
- Check in the amount of \$150.00 for permit fees

RECEIVED

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DIV. OF OIL, GAS & MINING

**DUGWAY PASS  
PLAN OF OPERATIONS  
Davies, Wingle & Davies Inc  
Utah Division of Corp. Registration # J07885  
Juab County Business License 112**

**Location:** Dugway Pass, Juab County, Utah. SW quarter of T11S, R11W, Section 16,  
(USGS DUGWAY Pass Quad) State Lease #50167

**Mineral:** Gold both a dispersed placer body and distinct ore body.

**Registered Utah Agent:** Rex Wingle, Treasurer  
475 W. Island Road  
Morgan, Utah  
Phone: (801)829-6169

**FUNCTIONAL PLAN:**

- 1. Operational considerations,** bio-environmental friendly, no use of leaching or other chemical reduction processes for reclamation of mineral. As time and money permits convert any power generation to solar/wind power for all operations and living requirements. Keep operations small, 2-4 person crew, using low impact earthmoving equipment. As an area is "worked out" it is reclaimed in accordance with State requirements, before any new area is opened for recovery.
- 2. Size:** Operations will be in accordance State regulations/requirements for small mining operations, of a maximum size of disturbed earth, including BLM access road not to exceed 5 acres.
- 3. Reclamation Process:** This is a wet process. Water is introduced into the mill at the same time as the material. The water eliminates any airborne particulate matter. All material movement after arrival at the mill is by water based slurry. Mill process is sized to 1 ton/hour maximum operation. Material will be crushed on site to an 80 mesh size, using impact crusher and/or jaw/roller/scrapper mills. Material will be fed directly onto processing table.
- 4. Crushing:** Mill chosen for initial operations is a small gas powered 1000 lb/hr impact mill (G-Force) made by Keene Engineering, expansion mill will also be a Keen Engineering Mill which consists of a small electric powered 2000 lb/hr jaw crusher, feeding a roll mill and followed by a roll scraper (RC-46). Crushed material is collected in a feed tub and pumped to the processing table.

5. **Processing Table:** The table used to separate and concentrate the high value material from the gangue is designed and built by Action Mining. This uses a specific gravity and water in a wave process causing materials to separate by specific gravity. The concentrated material is collected for further reprocessing across table and shipment to a refiner. The entire process requires about 500 gallons of water to process a tone of material.

This water is recyclable, with about a 100 gal of water loss/replenishment requirement per ton processed. Water carries both the concentrate and gangue off the processing surface. The highest water volume being released is with the gangue. This material is gathered in a lined pit or settlement pond, where the water is collected and pumped back into the mill process.

6. **Dust Abatement:** The operational dust abatement area is the crushing/milling operation. The only processing medium used in the separation as mentioned in Para 5 is water. Water is sprayed into the mill intake to collect fines and assure transport to processing table. This also reduces/prevents airborne dust. An enclosed building is planned to protect the mill components from adverse weather and contain any escaped dust. The building/work area will be vacuumed periodically as needed to gather any dust and introduce it into the milling process.
7. **Fuel Storage:** Initial operations will be powered by small gas generators to supply electricity for the mill and for the trailers used for crew quarters. Gas or diesel will be used to fuel earth moving equipment and other motorized equipment used for operations. The tanks or drums will be stored in a dike and lined area remote from both the crew trailers and mill site. It is expected that no more than four 55 gallon drums of any fuel (2 of gas, 2 of diesel) will be stored on site at any one time. There will also be two propane tanks for each crew trailer, which are conventional RV types trailers having conventional propane storage.
8. **Mill Water:** There is no natural water on or near the property. All water will be trucked in from a BLM well some 4-5 miles distant. The settling pond will serve to catch any runoff from the adjacent hill side and mine area as well as collect water from the processing mill and serve as a holding tank for water. This is planned as a 5'/40' lined pit. Water will be hauled from BLM Well to provide necessary water for operations, replenished as necessary. The holding pond will be covered with plastic, to prevent water loss through evaporation. Runoff above the holding pond will be redirected into the holding pond to the best extent possible.
9. **Domestic water:** Household water will be transported in separate potable water carriers as needed. Black and grey water will be transported via external tanks designed for that purpose to appropriate RV disposal dumps.

**10. Trash, Operational and Domestic:** Collected and transported to an approved dump as necessary, contained in an approved trash/material container. Because of the nature of the milling process, it is expected that little in the way of hazardous materials will be generated as an ongoing process. The only expected hazardous material identified is lubricating oils and greases used by motorized equipment, through normal servicing of equipment. These materials will be collected and stored in the fuel storage hazardous storage area, until sufficient quantity has been accumulated at which time it will be transported to an approved recycling center (Such as Checker Auto Tooele).

**Future Plans Considerations and General Information:**

As initially stated, conversion to renewable power sources of solar and wind is a primary consideration in the economical operation of this project. All equipment purchased will have that criterion as part of the decision matrix (electric motors over gas). Two factors drive this approach, (a) first and foremost to be environmentally sensitive and responsible stewards of the land. (b) There is no locally available electric supply, requiring power generation be performed. Fuel prices and distance to supply contribute to the need for a renewable fuel supply (approx 90 miles to Tooele Utah).

This is a wholly owned and operated project, having no employees. Two individuals have EMT experience, one has military and federal police experience, one has wild and structural fire experience, and one has a CDL with a Hazmat certificate and extensive heavy equipment operating experience.

Due to the backlog with BLM Right of Way work load, we have no way of establishing any specific startup date, either for road building or mill site preparation.

//signed//

Roger K 'Butch' Davies

Corporate Secretary

DW&D Inc

2159N 700W

Clinton, Utah

(801)776-2530

bdavies@earthlink.net